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30 May 1979

TRANSLATIONS ON NEAR EAST AND NORTH AFRICA
(FOUO 22/79)

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EGYPT

PROBLEMS CREATED BY ARAB FINANCIAL BOYCOTT REVIEWED

Paris AL-WATAN AL-'ARABI in Arabic 13-19 Apr 79 pp 16-20

/Article: "Cover: A Report, Backed by Figures, on the Effect of Arab Economic Penalties against the Egyptian Regime: al-Sadat on the Blacklist"

/Text/ The resolutions of the Baghdad conference on penalties were clear and frank: the withdrawal of ambassadors, the cutoff of political and diplomatic relations, the suspension of Egypt's membership in the League of Arab States, the transfer of headquarters of the league and most Arab federal organizations and authorities from Cairo, and the effort to have the headquarters of international and regional authorities, institutions and agencies transferred from Cairo as well.

However, it is the economic and financial penalties which will have a direct effect, now that the Arabs have put al-Sadat's regime on the blacklist.

The Arab penalties call for the suspension of all loans, deposits, guarantees, banking facilities, contributions, financial aid and aid in kind to the Egyptian government and its institutions.

In addition, they prohibit the granting of economic aid from Arab financial organizations and funds established in the context of the Arab League and Mutual Arab cooperation and call for abstinence from the purchase of bonds, stocks, orders and general indebtedness loans issued by the Egyptian government and its financial institutions.

The resolutions then prohibit trade with Egyptian government and private organizations dealing with Israel, on which the provisions of the Arab boycott will be imposed.

It has been AL-WATAN AL-'ARABI's desire to provide a report on Arab aid on the economic and financial levels. This is the first journalistic study of its kind to translate the actions of the Baghdad conference resolutions into the language of figures.

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AL-WATAN AL-'ARABI is not aiming, hereby, to establish proof that the Egyptian regime alone is materially, morally and ethically the loser as a consequence of the Arab penalties; ultimately the loss belongs to all--all Arabs including Egypt. Rather, it wishes to show, by figures, that the Begin-al-Sadat agreement will deprive Egypt of Arab aid and gifts totalling \$2.5 billion a year at a time when it is in utmost need of every plaster and millieme. It also wants to show that American, European and Japanese aid and gifts--if provided--will not equal what the Arabs have offered, and have been supposed to have offered. Thus, what al-Sadat's regime has embarked upon will not compensate for the offer of prosperity and welfare for 40.5 million Egyptian Arabs in compensation for the degradation and abjectness of surrender.

It is not easy to imagine how effective the boycott of economic relations on the Egyptian economy will be. In the past 30 years that Egypt has been gravitating toward the Arabs, when Jamal 'Abd-al-Nasir placed Egypt at the heart of the Arab nation and its basic causes, these relations have grown stronger.

The Arabs became wholly oriented toward Egypt following the oil bonanza, and Egypt was the main beneficiary of these relations, whether they took the form of trade, loans and financial aid, joint investments and projects, or the admission of hundreds of thousands of Egyptians to jobs in the eastern and western Arab world.

When al-Sadat's improvised liberalization policy in the seventies led to economic constrictions and political jolts and disturbances, as happened in the Cairo disturbances of January 1977, the only things which saved his regime from economic ruin were Arab financial aid and gifts, and he relied on them to pay pressing debts which were due.

Trade: Oil Is a Great Loss

It is unfortunate that trade relations did not develop as quickly as joint investments, for example. Perhaps today official Arab policymakers, realize that trade is an important political factor. Had Egypt been bound to the Arab world by strong bonds of trade, al-Sadat would have thought about the consequences of the Arab boycott more than once. Today the Arabs account for no more than 6 percent of Egypt's total foreign trade. Therefore trade plays a large role in economic integration and in supporting Arab solidarity and united political decisions.

However, one must point out that Egypt will be greatly affected by the cut-off of Arab oil. Although it produces about 25 million tons of oil per year, of which it exports half, which brings in an income of a little more than \$500 million, it is compelled to import some specific types of Arab oil, for which it paid \$95 million last year. This figure will approximately double this year since Egypt is compelled to import this oil

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from other sources--moreover, it is difficult to obtain, and these problems will increase if it is compelled to fulfill al-Sadat's commitment to sell Sinai oil to Israel.

However, the Arabs will be able to deliver a harsh blow to the Egyptian economy if they totally commit themselves to suspending economic aid to it. In this area, the Arabs can do a great deal. In the language of figures, one can talk in some detail in this sphere:

The Arab Summits: \$400 Million Annually

At the Khartoum summit of 1967 and at the Rabat summit after the 1973 war, the Arabs decided to give economic aid to Egypt. Although the figures on this aid are still secret, because they were given to support the Egyptian armed forces at a time when Egypt was in a state of war with Israel, estimates range from \$350 to 400 million per year.

The value of the aid Egypt received from its fraternal Arab states from Arab summit resolutions alone to support its war effort has come to \$4 billion since the 1967 setback; this does not include the private and emergency Arab aid offered Egypt, including, for example, the arms the late Algerian president Boumediene bought and paid for through a loan from the Soviets and delivered to Egypt during the October war. The cutoff of this aid will now cause great harm to the military role expected of al-Sadat as the patrolman in the Arab region, especially since the Americans have not shown much enthusiasm to offer him military aid and equipment if the rich Arab states do not finance it.

The discussion on Arab aid, gifts and loans to Egypt is a lengthy one. The Arabs offered more than two thirds of the aid and gifts Egypt received in the period from 1973 to 1977, which are estimated at \$8 billion.

The Gulf Authority: \$2 Billion

Four Arab countries--Saudi Arabia, Kuwait, the United Arab Emirates and Qatar--established a special financial fund to support Egypt under the title of the "Gulf Authority for the Development of Egypt." President al-Sadat used up all this authority's capital, which totalled \$2 billion, in 1977 and 1978. This fund helped President al-Sadat obtain European, American and international loans by underwriting them, and allowed Egypt to benefit further from the interest due on the loans it was provided. This fund was to have backed a \$250 million financial loan which Egypt had been trying to get from the Union Des Banques Arabes et Francaises (UBAF).

Last year the Arab Monetary Fund also allowed Egypt to withdraw its share in the fund, which was \$17.5 million, and negotiations took place to give it a loan of \$20 million from the fund.

The aid and grants given by Arab countries declined somewhat after President al-Sadat made his hapless initiative in November 1977.

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However, that did not prevent him from continuing to receive valuable aid. Saudi Arabia alone offered him \$1 billion last year and agreed to finance his transaction for American F-5A airplanes worth approximately \$500 million.

Arab Contributions to Development Projects

It would be fair to state here that Arab aid and gifts have not just been restricted to injections of financial liquidity into the Egyptian system, so that Egypt can pay off the debts it has accumulated as a consequence of the failure of its economic policies; rather, they have also been concerned with financing Egyptian development projects.

Egypt was the first Arab country to benefit from aid and loans from Arab financing funds. Some of Egypt's development projects are being completely financed by Arab funds, and some are being financed in participation with some Arab countries and such international organizations as the World Bank and International Monetary Fund.

There is no doubt that if the Arabs refrain from continuing to contribute to the financing of these projects, this could lead to a suspension of work on these projects, which will yield negative economic and social consequences as far as the regime's political and labor relations on the domestic level are concerned.

Perhaps ordinary Egyptian citizens--in particular citizens working on these projects--will realize the extent of the fraud they are exposed to when the Egyptian media allege that peace with Israel will bring blessings and comfort to Egypt.

The Arabs have offered Egypt development aid through a number of financial funds, foremost of which are the Saudi Development Fund, the Kuwait Fund for Arab Development, the Abu Dhabi Fund for Arab Development, the Arab Fund for Economic and Social Development, and the Islamic Development Bank.

These five banks, specifically, contribute to financing for the biggest Egyptian development project ever presented, the Suez Canal development /project/, whose costs total \$1.5 billion. It is estimated that the first stage of this project, which is restricted to expanding and deepening the Suez Canal to enable supertankers to pass through it, will be completed in 1980.

The project also includes the excavation of one or more tunnels under the Suez Canal to connect the east bank of the canal to Sinai /sic/. Al-Sadat announced this side project in 1974 but, as a result of red tape and administrative corruption, excavation on it was delayed until 1977. The job is being performed by the British firm (Sharmack) and Arab Contractors Co, which is owned by 'Uthman Ahmad 'Uthman, father-in-law of al-Sadat's

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daughter and one of the most important of the men close to him; his name in Egypt has been linked to influence-peddling exploitation in recent years.

These five banks provided the sum of \$139 million as their contribution to the project to develop the Suez Canal, and there is no doubt that the project will be affected by these banks' withdrawal from the financing process. Perhaps this will lead to the suspension of work on the project.

In order to show how important the Suez Canal is in terms of hard currency receipts, it is enough to point out that it provides al-Sadat's regime with \$500 million per year in ship transit tolls.

The War Production Authority

However, the most important project, and one which Arab countries are financing, is the Arab Industries Authority program. This authority was basically established for advanced Arab war production with capital of \$1.4 billion, shared equally by Saudi Arabia, the United Arab Emirates, Qatar and Egypt. However, it is the first three countries which provide the real financing, while Egypt provides the manpower.

al-Sadat's regime will not be the only one to be affected by the suspension of work on this massive project. The United States and Britain, which strongly support the Egyptian-Israeli treaty, Egypt's departure from the Arab front-line trenches, and the fragmentation of Arab solidarity, also will be affected.

However, the Arab countries providing the financing will also be affected on the financial and military levels, although these losses may be compensated for if the Arab Industrialization Authority is transferred, for example, to Saudi Arabia, where these three Arab countries will help carry out a similar war production project, known as the al-Kharj Complex, close to Riyadh.

In fact national necessities require that the activities of the Arab Industrialization Authority in Egypt be stopped especially since it has started producing advanced equipment and weapons whose purpose was to support the perseverance of Egypt in particular and of the Arabs in general in facing Israeli expansion and occupation. After the signing of the treaty, al-Sadat will use its production to support his war effort, which as the United States and Israel are planning, is directed against the Arab nation and Africa.

One project on which work has started in this sphere is that to produce jeeps and military transport vehicles (12,000 per year), by agreement with the giant American General Motors Corporation.

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Then there is the project to assemble and manufacture "Swingfire" anti-tank missiles; a contract for their production was signed with the two British firms Dynamics and Aerospace in 1977. Its costs will total 40 million pounds sterling.

There is a project to produce the Alphajet airplane; an agreement was reached on this in principle with West German and French companies last September.

Work on the project to produce the British Lynx helicopter and GM engines, which will cost 400 million pounds sterling, has advanced to an important stage.

There is also an ambitious project to produce the advanced Mirage 2000 airplane by agreement with the French firm Dassault.

Delaying work on projects of this kind inflicts some damage on Arab countries also, but their removal from Egypt and transfer to Arab Gulf countries will in the long run prevent al-Sadat's regime, which is cooperating with Israel, from monopolizing strategic war production which it could use against the Arab nation and its national interests. Transferring these projects will ensure these Arab countries the maximum degree of security in the context of financing and military sufficiency, thus asserting to the United States and European countries that the Arabs can tear up treaties aimed at imposing terms upon them.

There are also dozens of projects and programs to which the Arabs have contributed and are contributing, expressing their support for and their solidarity with their brother Egyptians and acknowledging Egyptian perseverance and the great burden Egypt is bearing in confronting the Zionist invasion supported by the United States of America.

These projects, for example, include the construction of a town near the Suez Canal bearing the name of the late Saudi monarch Faisal ibn 'Abd-al-'Aziz, and 10 Ramadan City near Cairo.

They also include Arab Economic Unity Council projects costing billions of dollars. It was assumed that Egypt and the Egyptians would have been the first to benefit from these projects in the next few years had it not been for the initiative President al-Sadat's regime made.

Unallocated Arab Expenses

Is this all?

No. The Arabs can do a great deal to al-Sadat's regime.

The Baghdad conference also ruled that placing deposits in Egyptian official financial institutions would be prohibited, that these institutions were to

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be deprived of all bank aid or facilities, and that stocks, bonds, orders and general indebtedness loans issued by the Egyptian treasury and its financial institutions were not to be purchased. This also applies to government and private institutions which deal with the Israeli enemy, to which the Arab boycott laws will be applied. This includes intellectual, cultural and technical activities promoted for interaction with Israel.

In 1977, in agreement with the United States, President al-Sadat agreed to break, or loosen, the chains of the Arab boycott of major American companies dealing with Israel and recommended taking them off the blacklist if they agreed to invest as much money in Arab countries as they had invested in Israel.

al-Sadat did not wait for the opinion of Arab countries in this regard before allowing the American Coca Cola Company to establish a citrus production project near the Suez Canal. A number of major financiers and influential persons close to him participated in the project.

Likewise he permitted the American firm Zeroz, which is now considered one of the biggest of copying equipment and machinery producing companies, to establish a branch, and his "well known" share from the company was a massive copying machine which is still out of order in one of the presidential palaces.

There are similar projects in which the Ford and Colgate Palmolive companies are participating.

Is this everything either?

No--the Arabs can do a great deal to al-Sadat's regime.

The Baghdad conference resolutions stipulated that Arab ambassadors (18 in number) be withdrawn, that political and diplomatic relations be severed, and that the headquarters of the Arab League, including its secretariat general, employees, specialized committees (12 in number), technical committees (18 in number), branches of Arab organizations with headquarters in Egypt (three in number), and specific Arab federations (12 in number) be moved to Tunisia.

These councils, committees, branches and funds include the Economic and Social Council, the Mutual Defense Council, the Fund for Technical Aid to African and Arab Countries, the Council on Economic Unity, the Arab Labor Organization, the Arab Postal Federation, the Arab Monetary Fund, the Arab Food Industries Federation, the Arab Insurance Federation, and the Arab Bank Federation.

It was also decided that the Arab countries would ask the United Nations to transfer the headquarters of its regional offices from Egypt to other Arab capitals.

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Thousands of Arab and foreign employees and servants are working in these embassies, council, organizations, federations and agencies, and their countries and authorities spend hundreds of millions in dollars and other hard currencies on them. The Egyptian treasury and Egyptian tourist services benefit from all this, to say nothing of thousands of Egyptian families whose heads and providers are working in these Arab and foreign institutions. It is estimated that three quarters of Egypt's tourist revenues come from resident white collar workers and Arab tourists. It is sufficient to show how important this is to state that Egypt's tourist income is estimated at 125 million Egyptian pounds per year.

1.25 Million Egyptians in Arab Countries

Last but not least:

Is this everything?

No. The Arabs can do a great deal to al-Sadat's regime.

1.4 million Egyptians are working in Arab countries, from the Gulf to the Atlantic, according to International Monetary Fund estimates. They are basically concentrated in Saudi Arabia, Libya, Kuwait, the United Arab Emirates, Iraq and Algeria.

They send hard currency estimated at \$1.7 billion per year to their relatives in Egypt. This amount accounts for one quarter of the hard currency al-Sadat's regime receives annually from abroad.

If these people return to Egypt it will result in the total collapse of al-Sadat's regime. Not only will this important source of revenue be cut off, these people will constitute a dangerous problem to the regime socially and economically. When they find themselves out of work and see that the revenues which used to guarantee them a standard of living far higher than all their brothers enjoyed have been cut off, they will rebel against the regime and join the forces opposed to it and the armies of the unemployed who wander aimlessly about in the towns, which are basically packed with people.

Nonetheless, the Arab countries have taken no decisions against these people, although they realize how effective they will be in putting a limit to a regime which is burning all its bridges and bonds to the motherland, is in practice washing its hands of all its Arab links and is renouncing its national duties.

To prevent the regime from doing that, it is intended, as the Baghdad resolutions state, "To show concern for the feelings of the Arab people from Egypt who are working and are present in the Arab countries, to observe their interests and to strengthen their national adherence to Arabhood."

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It remains to be said that the real effect of the actions the Arabs can take against President al-Sadat's regime lies in the psychological and moral influence Arab boycott of the regime may exert.

A relationship with Israel, even America, will not be a life-raft to save Egypt from the isolation al-Sadat will be experiencing. For 34 years official Egypt has been breathing through its Arab lung, and the Arab world is its vital support. Its influence and reputation in the world depend on its Arab premises and points of departure.

Throughout history, Egypt has lost its effect and influence--indeed even its independence and national soil--whenever it relinquished its regional or Arab role.

This fact was in no way lost on the thinking and strategy of the late president Jamal 'Abd-al-Nasir. However, Nasir was willed the bad luck of choosing a vice president whom the fates suddenly appointed to be his successor.

Al-Sadat is not wrong just because he is exposing the interests of the Arab nation to danger but also because he pretends to forget a fundamental Egyptian truth that the Arabs are Egypt's wings and it cannot fly without them, not even with all the artificial wings of Tel Aviv and Washington.

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EGYPT

SEVERE OPPOSITION TO TREATY, AL-SADAT'S INCOMPETENCE UNDERSCORED

Paris AL-WATAN AL-'ARABI in Arabic 13-19 Apr 79 pp 20, 21

/Article: "Cairo: the Regime Gets More Nervous As Opposition to the Treaty Intensifies"/

/Text/ AL-WATAN AL-'ARABI's correspondent in Cairo talks about the symptoms of nervousness and irritability which appeared in the behavior of al-Sadat and his agencies as a result of the popular and political opposition his treaty is meeting in Egypt and the isolation it is experiencing in the Arab context, which he consummated recently by his own hand:

President al-Sadat is getting more nervous and irritable by the day. He is distressed by everything except the Americans and the Israelis. He is even distressed by his advisors and assistants. He is distressed by his opponents and by all Arabs, including "moderates," who continued to believe till the last moment that they would not agree to impose punishments on him.

al-Sadat's nervousness became clearly obvious in his latest speech to the People's Assembly. He threatened the Palestinians, probed into the Saudi pulse and affirmed his determination to consummate his Arab isolation himself.

al-Sadat has now confirmed that the Arabs are all determined to boycott him; therefore he issued orders prohibiting the transfer of the Arab League headquarters, with its secretariat general, and freezing its funds, except for the salaries of its 600 employees--70 percent of whom, as is well known, are Egyptians.

Egypt's relations with 12 Arab countries have now been frozen or totally broken off. There has been a mutual withdrawal of ambassadors with Saudi Arabia, Kuwait, the United Arab Emirates, Qatar, Tunisia, Bahrain, and Morocco and a full severance of relations with Iraq, Algeria, Libya, South Yemen and Syria. The rope is on the tractor, as they say. The only two remaining countries with whom al-Sadat is strengthening his "Arab solidarity" are the Sultanate of Muscat and Oman and President Numayri's Sudan.

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A "Village" Settlement with Khalil

The final thing al-Sadat succeeded in "freezing" temporarily has been the resignation of his prime minister, Mustafa Khalil, who refused to bear the responsibility of implicitly agreeing, with his president, to the American security guarantees President Carter offered to Israel, which are essentially directed against the Arabs, including the Egyptians themselves.

The temporary settlement was reached in the manner of the "village" customs in his adherence to which al-Sadat does not miss any opportunity to express pride. Thus al-Sadat allowed Mustafa Khalil to boycott Begin's visit. Khalil was satisfied with this modest "protest" and with the two memoranda he sent to America's secretary of state Vance, which took the form of merely "recording" positions in reserve for future developments, especially after he had seen such prime ministers as Bhutto and Amir Abbas Hoveyda pay dearly for their mistakes.

Nervousness and irritability dominate all the regime's actions as a result of the tension adhering to al-Sadat. al-Nabawi Isma'il, minister of the interior, also summoned up his nerves and showed his muscles to his fellow citizens and the opposition, threatening to apply deterrent measures "lock stock and barrel" against anyone who moved against the Begin-al-Sadat treaty.

The ordinary citizen in Egypt may not have been aware that America has carried out a military demonstration in the Gulf area, but internally he has managed to feel with his own hands how Cairo also has been transformed into an armed camp, with the central security forces joining together in its streets and squares in noticeably concentrated form. At the same time, Carter's visit was preceded and accompanied by constant arrests of members of Islamic groups, and citizens noticed the inspection of vehicles and passers-by going on at late hours in the night, especially in sections close to the entrances to the city and the areas where there are bridges over the Nile. Personnel well known for their activities in factories received warnings from the police not to leave their homes during the visit. Decrees were also issued moving other people from their jobs to areas remote from labor complex centers. The Lawyers' Union announced a symposium to discuss the Camp David agreement on 8 and 9 March, and the authorities hurriedly exerted every pressure to press the union to delay the symposium. They got what they wanted.

One of al-Sadat's nervous explosions took the form of an outburst against his press leaders. Only a short time had elapsed since the attack he made against these leaders in his closed meeting with them, prompting Muhsin Muhammad, chairman of the board and editor in chief of AL-JUMHURIYAH, to wonder in amazement and bitterness what precisely the president wanted from the leaders of the press organizations and what faults or shortcomings they could be reproached for.

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The Story of Dr 'Ali al-'Atfi

With great anger, members of the armed forces in Egypt circulate the story of the urgent cable President al-Sadat sent Lt Gen Muhammad al-Mahi, the director of General Intelligence, from Washington after his meeting with Menachem Begin at the Egyptian Embassy the night before the signing of the agreement.

The text of the cable, which was passed from hand to hand, was: "From the President and Supreme Commander of the Armed Forces to Lt Gen Muhammad al-Mahi, the director of General Intelligence: Remove Lt Gen Munir Hasbu, deputy director of intelligence, from his position immediately and send me an urgent report on the case of Dr 'Ali al-'Atfi."

The first time President al-Sadat had heard of Dr 'Ali al-'Atfi was from Begin, at the meeting, when Begin told him that he did not doubt the man's truthfulness and sincerity on the issue of "peace" with Israel but that many people in charge of major, sensitive positions in Egypt, especially in the intelligence agency, did not share this truthfulness and sincerity.

In explaining his opinion with facts--according to the accounts which have been passed on--Begin went on to say that he had received a report from his intelligence 2 days before that on 20 March 1979 Lt Gen Munir Hasbu, deputy director of General Intelligence, with a group of aides, who are all Nasirists, seized an Egyptian citizen named Dr 'Ali al-'Atfi in the heart of the al-Ahli Club in Cairo on the charge of "spying and conducting intelligence on behalf of the Israeli enemy" and that the only proof of that was that he had formed a friendship with some Israeli journalists and officials going back and forth to Cairo.

President al-Sadat stressed to Begin that that was the first time he had heard of that matter. He promised him that he would immediately make an investigation into the matter and take the decisive, deterrent measures the situation demanded.

Immediately telex contact was made between the Presidency's unit at the Egyptian embassy in Washington and General Intelligence in Cairo, requesting the information.

Less than 1 hour after the first communication, information came in from Egyptian General Intelligence to Washington putting the following facts before al-Sadat:

Dr 'Ali al-'Atfi, physical education professor at the Higher Institute of Sports, was put under observation after meeting repeatedly with a number of Israeli personalities visiting Cairo. These personalities proceeded to get in contact with him by telephone and specify times for meeting him in a language similar to a code.

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A number of meetings were observed between Dr 'Ali al-'Atfi and Eliahu Elassar, director of Menachem Begin's bureau and an official in the Mossad Organization (Israeli intelligence), when the latter was present in Cairo.

Through surveillance, it was established that he was in private radio contact with the (Tasannut) Center in Israel. It was also observed that in his discussions and questions with senior members of the government and the armed forces, he concentrated on learning the names and addresses of people opposed to peace with Israel as well as of people who through their vocations or personal interests were in strong contact with the Palestine Liberation Organization, Syria, Iraq, Jordan or Saudi Arabia.

On the evening of 20 March he was arrested after he had finished his session at the al-Ahli Club and had been followed to his home, where Egyptian intelligence surprised him in flagrante delictu in the process of contacting the Israeli center by telex. Moreover, large quantities of reports were seized which were written in invisible ink.

Dr 'Ali al-'Atfi made a full confession on his contacts with the Israelis but explained that they were "innocuous."

A Competent Man--So They Terminated Him

After President al-Sadat read the cable with the information received from his intelligence in Washington, he told his aides, "There is no doubt that al-'Atfi is spying for Israel, but Israeli espionage in Egypt has become meaningless, now that we have made this stride toward 'peace.' I know this Hasbu. He is a competent man but he is extremely hostile to Israel and there must be some plan behind his action. He must be terminated at once in order to make this plan fail, then we will investigate later. This termination will emphasize to Begin that we are really serious about not letting anyone in opposition in Egypt sabotage the 'peace' process."

Thus President al-Sadat ordered that a cable be sent removing Munir Hasbu from his position as deputy director of General Intelligence, to satisfy Begin, and ordered his ambassador in Washington, Ashraf Ghurbal, to go immediately to Begin, inform him of his decision to terminate Maj Gen Munir Hasbu, and promise that Dr 'Ali al-'Atfi would be released after he returned to Cairo and that the case would be permanently shelved.

In the Opposition Camp

Now, if we move to the other camp, the opposition camp, we will observe that the most conspicuous thing in it now is the increasing, expanded activity by Islamic groups. These groups protested against Carter's visit and the settlement which it imposed. The Alexandria Group has been and still is the main scene of opposition religious activity, and this opposition has been, and still is, more concentrated in Alexandria than in the other major cities of the country. For example:

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While Carter was in Alexandria, on Friday 9 March, some imams spoke in mosques, condemning the visit and its goals. When newspapers published the texts of the treaty, the Committee on Information and Publications of the Egyptian Federation of Students (which is led by Islamic groups) distributed a leaflet against it.

After that comes the role of the leftwing opposition, with all its detachments. The follow-up committee of the National Grouping Party issued a declaration calling for alertness against the new American onslaught on the region.

Under the influence of these two currents--the Islamic and the leftwing--students have been active in the Universities of al-Mansurah, Alexandria, Cairo, Tanta, al-Minya and Asyet. This prompted the authorities to take a number of repressive and deterrent measures, the most severe of which were against the Alexandria University students; some commandos as well as police and Central Security forces were used against them.

In brief, the opposition of the masses of the students was clear: it was against Camp David, Carter's visit, and the settlement that had imposed.

Naturally, people asked about the New Wafd Party's position on everything that was happening. Since the party was considered to be dissolved from the official standpoint, its head, Fu'ad Siraj-al-Din, saw fit to issue a statement in his name opposing the treaty. He presented the statement to the heads of the press, but naturally it was out of the question that anything should be published about a statement which was said to have been written in a tone characterized by asperity.

Future of the Opposition

In any event what is absolutely certain is that the opposition known as the political man in the street has come to incorporate extremely large segments from far right to far left, and it contains legal, semi-open and secret organizations. However, the problem the combined opposition forces face is one of reaching a practical unified position and of actual resources for coping with the post-treaty stage.

In another area, there is an increasing realization on the part of public opinion that the promise of a permanent peace is a great illusion. For example, people are observing that the "peace program" which Mustafa Khalil's cabinet presented to the People's Assembly requested a bigger Ministry of Defense budget for 1978-79 than for the previous year. In justification, it was said that this was "to fulfill armed forces requirements in order to enable them to perform their missions in peace and war."

People comment that peace is with Israel but that war has started elsewhere. The Egyptian defense minister himself stated at the People's

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Assembly that there are Egyptian army forces in eight African countries, which confirms President al-Sadat's determination to play the role of American police backup in the region.

Is Egypt Clashing with Libya and Yemen?

One sign of this role is that the media are preparing public opinion to accept, or at least be neutral over, probable military clashes with Libya or South Yemen on grounds that they are threatening closure of the southern entrances to the Red Sea and consequently the shutdown of the Suez Canal.

Observers consider that although it would be wrong to belittle the feasibility of these methods, which the regime will use at some stage after the signing of the treaty, it would also be wrong to exaggerate their continued effect on public opinion. For example:

The treaty imposes relinquishments on Egypt which are degrading to Egyptian dignity, not to mention the fact that they are opposed to the national interest.

The treaty truly ridicules the religious feelings of the overwhelming majority of the population of the country.

Although the ruling party is merged into the apparatus of the government, it is being eaten away by many contradictions. Its composition is extremely fragile because it is based on the narrow interests of the blocs and groups within it.

The United States will not be able to spare the regime from the intensifying opposition to it.

Finally, most opposition forces generally tend to put their ideological disputes to the side, at least for the time being, in order effectively to counteract the peace treaty and the noxious effects to national sovereignty, and to the standard of living and cultural and spiritual life in Egypt, which will result from that.

For all these and other reasons many observers are right in raising this important question: "The signing of the treaty has ended; has the countdown begun for the existing regime in Egypt?"

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EGYPT

DOMESTIC OPPOSITION TO PEACE DRIVE DETAILED

Paris AL-WATAN AL-'ARABI in Arabic 30 Mar-5 Apr 79 pp 52, 53

/Article: "Crisis in the Egyptian Press: Is the Current Team of Press Leaders Being Changed?"

/Text/ The Egyptian press is going through a crisis. These are some of its features and causes:

No statement whatever has been released on the results of the meeting President Anwar al-Sadat held with the board chairmen of press organizations toward the beginning of last month, on 6 February specifically.

Days passed before some news leaked out about what went on at that meeting. It appears that the president spent the meeting directing violent criticism against the style of the so-called national press and of its editors in chief and senior newsmen.

At the meeting, the president expressed his displeasure with these papers' lack of interest in the positions and initiatives he had adopted. He said that senior journalists were not making enough publicity on these initiatives and positions. In addition, he expressed other observations concerning the conduct and financial benefits which certain people responsible for the press received--especially since the press organizations are suffering from gross financial losses.

After this "top secret" meeting, the usual question mark limned itself in the climate of the press: is the president, in his capacity as head of the Socialist Union, changing the current press leadership team?

Here bewilderment is gripping these leaders, and their most prominent men are wondering, "But were we deficient in anything?"

Since the events of 18-19 January 1977, the press has restricted itself to praising all the official acts and activities of the people in charge of the ruling party and the government. However, the curtain of total secrecy

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and neglect descends over these persons once they lose their official positions--to the point where Mr Mustafa Amin was prompted to write, in his daily column:

"Ministers Hamid Mahmud and Fu'ad Muhyi-al-Din stayed for 3 years in this cabinet, during which time I read not one word of criticism against them. Everything they did was splendid and innovative. Everything they did was magnificent, a work of genius. They left the ministry and the Egypt Party Secretariat, and consequently departed from the columns of the papers."

In addition, the heads of the press organizations can go on to say that they have not been deficient in carrying out telephone directives and orders for the reason that they have turned the editorial boards into token boards exercising no real role of any kind and have banished everyone with an opposed or even independent view from them.

There are now a number of major and minor writers in every press organization who are prohibited from pursuing their vocation.

However, it appears that none of this has furthered the causes of the heads of press organizations and editors in chief, nor has it sufficed to gain them the approval of the authorities. At this point the crisis of the press and journalists seems to be in a vicious circle in the sense that the press leaders cannot be guided toward media formulations which will satisfy the authorities--specifically, the president.

In this regard the most conspicuous example is the intense disdain the president expressed at his speech in Alexandria over an article Mr Musa Sabri, head of the AL-AKHBAR organization, wrote on 27 February, defending and justifying the second invitation al-Sadat had extended to the Shah of Iran to remain as a guest in Egypt.

Here the issue presents itself from another aspect: can any leader of the press, no matter how strong his belief in the regime's policies may be, solve the domestic, Arab-wide and international crises the authorities are creating with their own hands?

Observers, in seeking an answer to this question, note that the Journalists' Union elections held early in March reflect one feature of the regime's crisis. Observers noted that for the first time in the history of the union the list of candidates consisted basically of people known either to be totally opposed to the regime's policies, holding leftist positions, or to possess reservations on this policy--people who removed themselves, or were removed, from their positions and went into obscurity recently, though staying in contact with the regime.

For the first time, official nominees of the ruling party, people who frankly speak in the name of the government, or prominent defenders of its policy, were not on the list.

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The crisis the so-called nationalist Egyptian press is going through is the natural outcome of the ruling party's tightening grip over the press and the media.

Formation of the National Democratic Party, under Mr al-Sadat's chairmanship, was a license to start a new stage in the escalating persecutions and restrictions of that modest margin of relative freedoms which appeared after permission was granted for the formation of parties and the issuance of party papers--not long after which the authorities directed a series of obscure slogans to the press and to journalists--"the press is a fourth estate," "the importance of the sound exercise of democracy," and "the press and society are one family."

In this general climate of slogans inspiring fear, appeals to cast doubt and sabotage undoubtedly lurked behind the entire opposition in the eyes of the regime. It is sufficient for us to review the means by which the national press has dealt with certain local and foreign developments.

The Press and the Iranian Revolution

When we discuss how the press dealt with developments in the Iranian revolution, we find that the focal point at one stage lay in proving that that revolution was inspired and fabricated by the Soviets.

When the "National Grouping Party" issued a statement opposing the invitation to the Shah to visit Egypt, the party's headquarters were subjected to an onslaught by security officials, who took over the party's presses and statements by force.

The papers did not print one word about the episode; rather, it filled its columns with stories and tales about the party, its links with other secret parties, and the seizure of illegal publications.

One day before the triumph of the Iranian revolution, the headlines in the press were of this type: "Demonstrations Supporting the Shah Cry out 'Khomeyni Is an Agent of Moscow.'" The following day, the day the Iranian revolution triumphed, the headlines were of this type: "Civil War Has Started in Iran."

When a discussion on the Iranian revolution took place in the Egyptian People's Assembly 2 days after the triumph of the revolution, the discussions (concerning, of course, the official statement, which the press had published in its entirety) took approximately 5 hours.

The deputies presented more than 20 recommendations. Although the regime had raised the slogan of "a government of institutions," this venerable institution, the People's Assembly, did not stir the attention of the press; the three morning papers published only a quasi-official statement

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of a uniform format on the Assembly discussions and published no recommendation of any kind by the deputies, who demanded that the Iranian revolution be recognized immediately.

While the government preferred to delay recognizing the new regime in Iran, the papers continued to attack countries which had quickly recognized it and ignored the fact that this recognition came from all countries in the world, east or west, regardless of their tendencies, except for Israel and South Africa.

It appears that some press leaders went too far in carrying out the instructions dictated to them--to the point where they proceeded to attack the Shiite sect. The distinction here was that a writer like Mr Anis Mansur was compelled, in spite of his hostility to the Iranian revolution, to write in the newspaper AL-AHRAM last 23 February:

"The Egyptian press has written a great deal about the Shiite sect; it has claimed that it is filled with errors, the principle one being that it is a distortion of the Shiite sect and is non-Islamic. However, Egypt has ruled officially, in the words of the sublime scholar Mahmud Shaltut, that it is a proper Islamic sect."

Other Examples

In spite of all this, the Egyptian president is not satisfied with the press leaders, whose freedoms are being restricted and who are wondering, "What vindictiveness will it take to satisfy him?"

When we move over to domestic issues, we find other examples:

When the People's Assembly debated the statement Mustafa Khalil's cabinet presented when it was formed, the discussion took nine whole sessions and more than 60 members of various tendencies participated in it.

Obscuring, Obscuring

In spite of its special importance, People's Assembly discussion of the government's statement, which the press published in full, did not enjoy similar attention. The papers gave little space to coverage of news of the debates, and determined to obscure opposition views. No opposition Assembly deputy was granted more than a few ambiguous lines. It was up to citizens to deduce the general drift of an opposition deputy's opinion from the context of the ministers' response; moreover, reference was not made to dozens of observations and fundamental reservations of some members who were loyal to the government.

The Opposition and the Press

Deputies representing the leftist Grouping Party and a number of independent opponents, headed by Dr Mahmud al-Qadi, presented a viewpoint which differed radically from the statement and policies of the government.

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In spite of the imposition of extreme restrictions on opposition representatives by reducing the time period allowed for statements, the opposition managed to state that Egypt had deviated from the Rabat resolutions and negotiated separately with Israel under American sponsorship and that it had in practice abandoned the Palestinians' right to determine their destiny and establish an independent state, accepting the humiliating principle of autonomy.

While the government declared that it had refused to enter into areas of big-power influence or the politics of foreign or regional axes, Egypt's policy in practice has been based on membership in the American axis.

Representatives of the Grouping Party demanded that separate negotiations with the enemy be stopped and that Egypt commit itself to liberationist Arab positions and the resolutions of Arab summits, specifically the Rabat summit.

With respect to democracy, they demanded that the constitution be amended to permit the establishment and proliferation of political parties, without restrictions paralyzing their freedom or imposing the guardianship of the ruling party or executive powers on them. The independent opposition (Mahmud al-Qadi and Mumtaz Nassar) demanded that various exceptional legislation and measures primarily the Emergency Law, be abrogated.

The press was not content to conceal these opposition views--after conclusion of the debates, headlines in the newspaper AL-AHRAM declared that the People's Assembly had reached "unanimous" agreement to the government's policy. It only published a correction of this 2 weeks after its publication of the false news.

This false item of news was no founding in the current life of the national press. Once again, the Journalists' Union election campaign reflects the depth of the crisis raging within the press, and the media in general, in Egypt: to give evidence of this, it is sufficient that the ruling National Democratic Party failed to find an official candidate to run in the campaign for union head.

On the other hand, the two candidates who did run for election, Kamil Zuhayri and 'Abd-al-Rahman al-Sharqawi, had their say on this crisis, each in his own style. The former, Kamal Zuhayri, who is helping to prepare to issue the newspaper AL-LIWA' (the organ of al-Sadat's party) tried to belittle his defeat, declaring that al-Sharqawi was the authorities' candidate; the latter responded to the charge by saying that he was entering the campaign for the sake of freedom of the press, independent of any party.

As is well known, the elections ended with al-Sharqawi's victory.

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IRAN

DISPARATE TENDENCIES SEEN IN GROUPS OPPOSED TO KHOMEYNI

Paris JEUNE AFRIQUE in French 25 Apr 79 pp 10-11

[Article: "Showdown in Tehran"]

[Text] It was learned in Tehran on 16 April that Foreign Minister Karim Sanjabi had resigned and that Ayatollah Taleghani had left the capital. Taleghani is a prestigious religious leader who has on several occasions served as mediator between the authorities on the one hand and the left-ist groups and ethnic minorities on the other. He left Tehran in protest against the brief arrests of two of his sons and a daughter-in-law by "Khomeyni's komitchs."

This means the end of the truce established a few weeks ago among the various components of the revolutionary movement which toppled the imperial regime in February. Now that the rebelling Kurds and Turkomans have become somewhat less militant, two antagonistic "camps" are clashing anew.

Ayatollah Khomeyni, the undisputed leader of the religious Shiite hierarchy and symbol of the adamant struggle against the Shah, exercises authority through three types of institutions: the "Islamic Revolutionary Council," the new regime's major policy-making body, but whose membership remains secret; the Islamic Revolutionary Party; and especially the "Khomeyni komitchs," local ruling committees established throughout Iran and headed by religious leaders loyal to Khomeyni. The revolutionary movement scored a success in March with the referendum approving creation of an Islamic republic.

"Khomeyni's" attachment to a traditionalistic Islam, its fierce xenophobia and militant anticommunism, all serve to make it appear highly conservative, indeed even "reactionary." But its antimonarchical radicalism and equalitarian populism give it an unquestionable revolutionary character.

In the past 2 months, three major currents of opinion, united in their opposition to the supreme ayatollah, have effected a tactical rapprochement.

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First, there are the mojahedeen (Islam's crusaders). Their doctrine can be summed up in two propositions: Shiite Islam is essentially anti-capitalist and liberative. Shiism's leading figures--the caliph Ali Ibn Abi Taleb and one of his associates, Abu Dhor el-Ghofari--number among the greatest revolutionary theoreticians in the world.

The "enlightened" liberal middle class is also against Khomeyni for reasons diametrically opposed to those motivating mojahedeen. This middle-class element calls for the establishment of a parliamentary regime respectful of public freedoms and maintenance of cordial relations with the West.

Prime Minister Mehdi Bazargan personifies the "Islamizing" wing of the middle class. He has already had one violent showdown with Khomeyni, specifically by taking the ayatollah's "Islamic tribunals" to task for exercising summary justice. Karim Sanjabi, secretary general of the National Front who recently resigned as foreign minister, and Matine-Daftary, grandson of the late progressive leader Mossadegh, represent the moderate secular wing.

Lastly, on the far left, the Marxist-Leninist groups--the pro-Soviet Tudeh and especially the extreme-leftist fedayeen organization--advocate establishment of a communist government.

The formerly divided mojahedeen, middle class, and fedayeen seem to have found in Ayatollah Taleghani, who is close to the National Front, the color bearer for their common struggle against "Khomeynism." The showdown in the offing is likely to be replete with ups and downs. One great unknown factor is the attitude of the armed forces--or rather what is left of them--the "great mute" in a serialized tragedy that has already lasted for a year and a half.

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IRAN

JAPAN ASKED TO REVIEW TEHERAN'S TRAFFIC SYSTEM

Tokyo NIHON KEIZAI SHINBUN in Japanese 14 May 79 Evening Edition p 1 OW

[Article by correspondent Konishi]

[Text] Teheran, 13 May--It was disclosed today that the Iranian Government, determined to completely review the transport system in Teheran, including a project to build a city subway, has asked for Japan's technical cooperation. The Japanese Embassy in Teheran is now working with the ministries and agencies concerned to dispatch experts to Iran as soon as possible.

Iran's revolutionary government has been reconsidering various projects formulated by the former regime, saying that most of them were motivated by an illegal desire for profits and not by concern for popular welfare. It has already disclosed plans to cancel some military-related projects and nuclear power plant construction programs.

Teheran's subway construction contract was originally signed between Iran and France in 1974. Under the plan, two north-south and two east-west lines were to be established in the city, for a total system length of 67 kilometers. The project started last year and 90 percent of a 2.7-kilometer section in nonresidential northern Teheran has been completed.

However, the new revolutionary Teheran mayor (Tabasori) has recently suspended the project, saying that the cost is too high. From the outset, the new government has been suspicious of the dealings between France and the former Iranian shah over the subway project, leading to an overall review of the project.

As the first step, the Iranian Government is now reportedly asking Japan to send experts in traffic engineering, economic analysis, city planning and subway construction to Iran.

It was in 1970 that Japan first sent a delegation to Iran to discuss the Teheran traffic issue. In 1977 Japan proposed a plan to build elevated belt highways in Teheran and talks progressed favorably. The two governments were about to exchange cooperation documents when the Iranian revolution broke out, wrecking the proposal.

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MAURITANIA

BRIEFS

COMMITTEE VIEWS ALGERIA, POLISARIO--Nouakchott, 20 May (REUTERS)--The military committee of national reorganization, meeting in a special session on Thursday, Friday and Saturday, has reiterated its decision to send a high-level delegation to Algeria as soon as possible and to pursue talks with the Polisario Front. A communique published in Nouakchott on Sunday adds that, in line with the peace effort begun on 10 July 1978, the committee remains anxious to reestablish diplomatic relations with the democratic and popular Republic of Algeria. In the domestic sphere, the committee expressed its "concern over the economic, financial and social situation prevailing in the country and urged the government to immediately take adequate recovery measures by means of a vigorous policy of austerity." The communique adds that the committee has urged the government to pay "particular attention" to ongoing studies on economic, financial, cultural and social problems and present "specific proposals" in its next session. In addition, the committee made several recommendations, particularly as regards the fixing and effective control of prices and a vigorous policy for the control of credit and exchange as well as the specialization of banks, according to the communique. [Text] [London REUTER in French 0530 GMT 21 May 79 PA]

'AFP' CORRESPONDENT EXPELLED--Nouakchott, 18 May (REUTERS)--AFP correspondent Jean-Eudes Barbier left Nouakchott for Paris after having been expelled from Mauritania. Mauritanian authorities charge him with having spread "malicious information" regarding the incidents which occurred at the beginning of this month in several schools in this capital. In a letter to Barbier, Interior Minister Maj Thiam el Hady notes that three of his dispatches had "helped to make the situation worse." Meanwhile the Mauritanian Press Agency, referring to the expulsion, said that Barbier's dispatches were "false" and "based on wild rumors and doubtful sources." The agency reproaches him with "repeated violations of the rules" which according to the agency "determine the integrity of press correspondents." AFP protested to the Mauritanian Government against the expulsion order, claiming that it "violates the principle of freedom of information." [Text] [London REUTER in French 0525 GMT 19 May 79 PA]

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MOROCCO

USE OF AMERICAN ARMS CRITICIZED

Paris AFRIQUE-ASIE in French 30 Apr-13 May 79 p 16

[Article by Daniel Volman: "American Arms for Morocco"]

[Text] Called "defensive" armaments from the Pentagon permitted Morocco to mount its aggression against the Sahara. What adventure will they serve for tomorrow? From Washington, an American observer makes some interesting revelations.

The American government has for more than 3 years supplied Morocco with military materiel with whose help the king was able to launch his adventure in the Western Sahara.

Officially, of course, Washington did not recognize Morocco's claim to the Sahara. The American-Sherifian military accord of 1960 also states that American weapons may not be used by the FAR (Royal Armed Forces) occupying the Sahara.

Nevertheless--and the Americans admit that themselves--the Moroccans systematically violated the 1960 agreement. It is obvious that, in closing its eyes to these violations, the government in Washington knowingly covered up Moroccan aggression. While the Carter administration claimed that it wanted to put an end to that situation, its recent approval of a coming military order from Rabat indicates that things will continue as they are--even if they continue to hide behind the argument that this is "defensive" equipment.

The American military sales figures to Morocco definitely went up from \$4.1 million for FY 1974 to \$99.8 million for FY 1978--and that includes direct government sales, within the framework of the foreign military sales program, as well as sales by private American companies.

Now, for example, are the "Northrop F 5 A" fighters defensive? Twenty-four of these supersonic jet aircraft were delivered to Morocco in 1966. And another 24 were delivered in 1978. These aircraft can be equipped with projectiles carrying napalm. Besides, 15 "F 5 A" aircraft were based at

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El-Ayoun, in the Western Sahara, and they are constantly being used for air raids and reconnaissance missions against the fighters of the Polisario; five of those aircraft by the way were shot down by the guerrillas. The latter also seized a vast range of American materiel used in equipping Moroccan troops. That includes particularly 105-mm "M-2" howitzers, 60 and 81-mm mortars, 3.5 in. rockets, and 106-mm recoilless rifles.

In November 1979, the king visited Washington and Carter announced that he had imposed a moratorium on arms sales to Morocco since the sovereign refused to abide by the clauses of the 1960 agreement. But the American administration persisted in permitting sales of "defensive" equipment for Morocco.

On 1 February 1979, six heavy "Chinook" helicopters ("Boeing Vertol C H-47 C"), produced under license in Italy, were sold to the FAR. They were used extensively during the war in Vietnam and there is every reason to think that this will also be true in the Sahara.

In February 1979 likewise the United States Congress studied an "assistance and security program" submitted for FY 1980. The chapter on Morocco called for a 100-percent increase in arms sales, from \$55 to \$105 million.

Washington thus made provision for the sale, to Rabat, of light armored vehicles and AT weapons as well as elements for the TADS (Tactical Air Defense System), especially mobile Westinghouse radars. All of this equipment is particularly useful for warfare in the Sahara desert.

But this influx of military materiel delivered to the king of Morocco entails another disquieting aspect. The monarch in effect keeps threatening not only the Saharans but also Algeria. And American arms sales entail the risk of upsetting the balance of forces in favor of Rabat--a balance which so far served to hold down the aggressive designs of the Sherifian sovereign.

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MOROCCO

DEVELOPMENT OF DOMESTIC AND FOREIGN POLICIES DISCUSSED

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 20 Apr 79 pp 981, 982

[Text] Morocco's domestic and foreign policies almost simultaneously, for partly different reasons, are undergoing a rather complex evolution. On the one hand, after the creation of a national security council, the government was reshuffled; these two measures enable us to envisage that a certain opening might be attempted in line with recent social pressures and demonstrations. On the other hand, following the events in Iran, confidence in the United States proved to be much reduced and there is dissociation from the Egyptian-Israeli peace initiative which no longer has any support in Rabat.

Social agitation has assumed considerable dimensions since the start of the year. Strikes originally were aimed at wage hikes and labor union freedom guarantees; but they also quickly took on a political aspect, particularly in education. The high school students demonstrated against the presence of the shah of Iran in Morocco, their teachers demanded the release of their colleagues who were being held for political reasons and "a democratic education policy in keeping with the aspirations of the popular masses and the needs of development" (12 February press conference of the SNE [National Education Union] and the Democratic Federation of Labor). The Socialist Union of Popular Forces, a legal opposition party, and the National Education Union, which is close to it, thus launched a vast campaign against national education policy, implemented by ministers belonging to the Istiqlal Party, presently the party in power.

The king's response was brought out, even before it manifested itself, by the clandestine opposition party Ila el Aman: "The monarchy," declared a militant of that party in talking to an Algerian journalist, "is seeking to broaden its social base by appealing to the middle classes, to the national bourgeoisie and to the petty bourgeoisie, because those classes are suffering from the domination of the merchant bourgeoisie which holds power...and which is allied to international capital" (EL MOUDJAHID, Algiers, 8 February).

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Attempts at Consultation and Coordination

The king ordered that official consultations be started on 28 February with labor union leaders, not only from the General Union of Workers of Morocco, which is close to Istiqlal, but also from the CDT (Democratic Federation of Labor) and UMT [Moroccan Labor Federation], which are close, respectively, to the USFP (Socialist Union of People's Forces) and the UNFP (National Union of People's Forces), both of which are legal opposition parties.

It does not seem that this project will soon be followed up effectively. In any case, starting on 13 March, upon instigation of the SNE, a new strike was started in higher education and then, starting on 10 April, several strikes are planned in national education, renewable in 48 hours. There were also strikes in April among the sugar refinery workers and the phosphate miners.

But the king took one important step in deciding on 8 March on the creation of a national security council, basically intended to do a better job in cementing together the forces of the nation in the face of the danger from the south; with this purpose in mind however it involves the leaders of the legal opposition in the drafting of royal policy and thus gives them notable satisfaction, although that is more psychological than practical. Among the ten members of that council we have as a matter of fact two representatives of the USFP, its first secretary, Master Abderrahim Bouabid, and its spokesman in parliament, Mr Abdelwahab Radi, and the secretary-general of the Party of Progress and Socialism Mr Ali Yata, once upon a time a leader of the Moroccan Communist Party which was dissolved. There is no minister on that council which is thus entirely distinct from the executive branch.

Formation of New Cabinet

Another very remarkable royal measure--after the resignation of Premier Ahmed Osman, who will soon join the National Security Council--consists of the formation, on 27 March, of a new government presided over by Master Maati Bouabid, formerly minister of justice, drawn from the ranks of the UNFP.

It is true that Mr Maati Bouabid was not in the preceding cabinet; he emphasized that, talking in personal terms, and this remark obviously applies to his new high-level job. It is furthermore true that, following in the footsteps of one of the sovereign's brothers-in-law, he himself is the husband of a cousin of that same sovereign. However, neither the UNFP, nor the UMT seem to be really displeased with that since, in this atmosphere of cooperation with the government, he returns to the big affairs of state which, before 1960, he was involved in as minister of labor. Recently, in the courts, Master Bouabid defended certain individuals accused of plotting against the security of the state. He seems to have remained popular, particularly in Casablanca, where he was chairman of the city council. The

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disadvantaged consider him more of a well-placed advocate, rather than a turncoat.

The group put together by Master Maati Bouabid does not involve many changes as compared to the Ahmed Osman cabinet. The National Rally of Independents holds ten portfolios, the Istiqlal has eight, including foreign affairs, which remains under Mr Boucetta, while the People's Movement has four. It may however seem significant that two key posts--interior and information--are held by persons "without political labels," that is, Messrs Driss Basri and Abdelwahab Belakziz.

With the Maati Bouabid cabinet and the National Security Council, the king has more opportunity to touch all public opinion sectors, including the legal opposition, thus leaving only the underground opposition outside. Some people now expect that he will seek to establish contact with the rank and file and that he will pursue even a bolder social-economic policy. But other observers think that, on the contrary, he will use the assistance provided by these personalities in order to make sure that--on account of the great problems facing the nation, particularly in the Sahara--the expression of demands will be toned down and any solution will be postponed.

Assumptions as to Changes in International Relations

However, while the king has hinted at a possible change in his social policy, he has also raised the assumption of changes in Morocco's international relations. On the eve of that day of 11 February, during which the Iranian monarchic system collapsed, King Hassan, whose guest Shah Mohammed Reza was at Marrakech, said the following on French television: "If Iran were to fail, the process of destabilization would be speeded up from one end of the world to the next. The wave of collapse would reach the Arabian Peninsula where we have the Holy Places of Islam and 900 million Muslims would be trembling."

But, after the event had taken place, the Moroccan sovereign said, for America's ABC-TV (on 26 February) that the Shah was his "personal guest," that he was "simply an invited guest" and not a "political invited guest"; and there certainly was no question of responding to any possible demand for extradition although Morocco did recognize the new government in Iran and will maintain normal relations with it. It is known furthermore that the ousted Iranian sovereign was to leave Morocco several days later for the Bahamas.

In the course of that interview, however, King Hassan also brought up the responsibility of the United States and, noting the weak effectiveness of American support, he insinuated that he might look elsewhere: "The United States is still under the influence of the unfortunate outcome of the war in Vietnam. The United States no longer makes a distinction between simple aid and intervention in support of its friends. The Soviet Union and its friends constitute a united team whereas we others, in the Western world, we act as if we were the members of a club without any solidarity to hold them together."

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King Hassan by way of example also stated that the Moroccan government had paid the American government \$12 million with a view to the purchase of four troop carrier helicopters and he is still waiting for the delivery of those craft: "The American administration still hesitates to commit itself one way or another."

The Moroccan sovereign finally stated that he could, within 6 months, get from the Soviet Union all of the military equipment he might want whereas the same period of time would not even be enough to take care of the negotiations necessary toward the purchase of arms from the United States. He concluded: "I have a certain concept of the world and a certain philosophy but it is my duty to assure my people's security, peace, and prosperity. If I cannot achieve that with the help of my friends, it is my duty to seek support where I can get it."

Hardening Attitude Toward Egypt

Visibly disappointed--as shown by these words--by the neutrality of the United States on the issue of the Western Sahara, King Hassan also seems to reproach the United States for having insufficiently supported and served the Arab interests in the course of Egyptian-Israeli negotiations conducted under American sponsorship and then with American participation.

Nobody is any longer unaware of the fact that Morocco greatly contributed to getting these negotiations going by receiving, on its territory, on September 1977, the Egyptian and Israeli emissaries, Mr Hasan al-Tuhami and Mr Moshe Dayan, who secretly prepared the "surprise trip" by President al-Sadat to Jerusalem.

We recall that the support, given for a long time thereafter by Morocco, in particular led to the reception of President Anwar al-Sadat in Rabat upon his return from Camp David.

In return, King Hassan did not conceal the fact that he stopped following President al-Sadat the moment, under the United States pressure, the latter prepared to make some major concessions to Israel. A first indication in this direction was given on 9 March during the opening of the special session of the Moroccan parliament, devoted to the Sahara problem; taking up relations between Morocco and Algeria, the king indicated in passing "that there is no fundamental disagreement between Morocco and Algeria concerning the Near East and the Palestinian problem."

After the signing in Washington, on 26 March, of the Egyptian-Israeli accord, Moroccan foreign affairs minister Master M'hamed Boucetta attended the Baghdad Conference and supported its decisions concerning the retaliation measures to be applied against Egypt. According to the Kuwaiti press, King Hassan sent a message to President al-Sadat in which he told him in substance: "I was with you by virtue of the commitment you had undertaken in terms of abiding by the resolutions adopted by the Arab Nation during the Rabat Summit. But you have broken those pledges and I feel that I am no longer bound by my promise to support you" (AL-ANBA', 28 March).

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The Moroccan ambassador in Cairo, Mr Abdellatif Laraki--who on 2 March had told the MEN [Middle East News] Agency that "Morocco remained faithful to its support for the peace initiative of President al-Sadat and defended it during international meetings"--was recalled on 5 April by way of implementation of the decisions of the Baghdad Conference. University student demonstrations took place in Rabat on 20 March against the "policy of capitulation" of President al-Sadat.

The hardening attitude of the Rabat government toward Egypt thus makes its position easier within the country itself. It is another sign of the disappointments which Morocco experienced in the light of the United States attitude. The consequences of this change in orientation by the Moroccan monarchy could be considerable in Africa and particularly in the Maghreb.

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